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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF DELAVAN TELEPHONE COMPANY TO RURAL COMMUNICATIONS HOLDING CORPORATION

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 09-76

Comments Due: June 12, 2009

Reply Comments Due: June 19, 2009

On May 14, 2009, the Shareholders of Delavan Telephone Company (Delavan) and Rural Communications Holding Corporation (RCHC) (collectively, Applicants) filed an application pursuant to sections 63.03 and 63.04 of the Commission's rules¹ requesting approval to transfer control of Delavan to RCHC.

The Applicants do not seek streamlined treatment for this application under section 63.03(b) of the Commission's rules.² Delavan, a Minnesota corporation, provides local exchange telephone services (including interstate exchange access) as an incumbent local exchange carrier (LEC) in the Delavan exchange in Faribault and Blue Earth Counties in rural south central Minnesota. RCHC is a Minnesota holding company that directly or indirectly owns five incumbent LECs that provide local exchange telephone services (including interstate exchange access) and resold interstate toll services in 13 rural exchanges in southern Minnesota and Iowa.³ The Delavan exchange area is adjacent to two exchanges

¹ 47 C.F.R. §§63.03, 63.04; see 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² 47 C.F.R. § 63.03(b).

³ RCHC owns 100 percent of the following three rural incumbent LECs: Blue Earth Valley Telephone Company, a Minnesota corporation that serves the Blue Earth, Elmore, Guckeen, Huntley, Wells, and Winnebago exchanges in south central Minnesota and Kossuth County, Iowa, and that owns Minnesota Lake Telephone Company, an incumbent LEC in the Minnesota Lake exchange in Faribault, Waseca, and Blue Earth Counties in south central Minnesota; Easton Telephone Company, a Minnesota corporation that serves the Easton exchange in south central Minnesota; and Eckles Telephone Company, a Minnesota corporation that serves the New Prague exchange in south central Minnesota. RCHC also owns 100 percent of Cannon Valley Communications, Inc., a Minnesota corporation, which in turn owns 100 percent of Cannon Valley Telecom, Inc. (CVT), an incumbent LEC that serves the Bricelyn, Freeborn, Frost and Morristown exchanges in rural south Central Minnesota and Iowa. RCHC also has certain non-controlling wireless interests in Minnesota.

owned by RCHC's subsidiaries, Easton Telephone Company's Easton exchange and Blue Earth Valley Telephone Company's Winnebago exchange. Applicants state that Delavan and RCHC's incumbent LEC subsidiaries have, in combination, approximately 12,646 access lines, far fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, but, because of the adjacent service areas the Applicants have identified, this application is not entitled to presumptive streamlined treatment.

The following U.S. citizens and U.S.-based entities own at least 10 percent of the equity of Delavan: Edward R. Parish (34.31 percent); Patricia A. Parish (33.33 percent); and Anne M. Parrish Irrevocable Trust (32.36 percent).

Blue Earth Valley Communications, Inc., a Minnesota corporation, owns 100 percent of the equity of RCHC. The following U.S. citizens and U.S.-based entities own at least 10 percent of the equity of BEVCOMM: Neil and Sue Eckles (22.41 percent); Gail Eckles (24.66 percent); William V. Eckles (19.84 percent); Eckles Dynasty Trust #1 (16.55 percent); and Eckles Dynasty Trust #2 (16.55 percent). Applicants state that no other individual or entity will directly or indirectly own at least 10 percent of the equity of Delavan or RCHC after the proposed transaction. 5

The proposed transaction will be accomplished by the sale of 100 percent of Delavan's common stock (its only class of stock) from its three existing Parish family stockholders to RCHC. When the transaction is completed, all of the issued and outstanding common stock of Delavan will be owned by RCHC, and Delavan will be a wholly-owned subsidiary of RCHC.

Applicants state that the proposed transaction is in the public interest because Delavan and RCHC's incumbent LEC subsidiaries are established rural telecommunications service providers that have proven records of providing high quality service at affordable rates, and that this transaction will ensure that the residents of Delavan continue to receive these benefits.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments on or before June 12, 2009 and reply comments on or before June 19, 2009. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's e-Rulemaking Portal, or (3) by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal e-Rulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or

⁴ The trustee of the Eckles Dynasty Trust #1 and Eckles Dynasty Trust #2 is William V. Eckles, and the beneficiaries are William V. Eckles and his issue. The trustee and beneficiaries are all U.S. citizens.

⁵ BEVCOMM also holds a 33.33 percent ownership interest in Hector Communications, a holding company of nine incumbent LECs that services in 28 rural exchanges in Minnesota, Wisconsin, and North Dakota. BEVCOMM also interests in several entities providing telecommunications transport services in Minnesota, North Dakota, and South Dakota.

rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

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In addition, one copy of each pleading must be sent to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- 2) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 3) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 4) Michelle Sclater, Competition Policy Division, Wireline Competition Bureau, michelle.sclater@fcc.gov;
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Michelle Sclater at (202) 418-0388.